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Venezuela, land of oil

[Washington]

[1943?]

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Venezuela

Land of Oil

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Venezuela

Land of Oil

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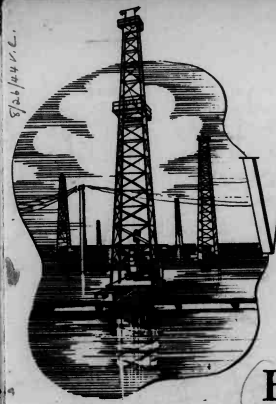


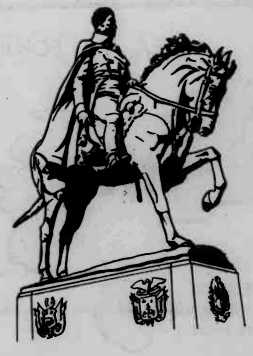
VENEZUELA

FROM the oil wells of Venezuela, some of them under the water of tropical Lake Maracaibo, flows enough of this strategic war material to make her second only to the United States in petroleum export. From oil, developed within the last few decades, has come the money to launch Venezuela's present extensive program of education, health, sanitation, and housing. Oil has built fine roads, and is opening up remote regions.

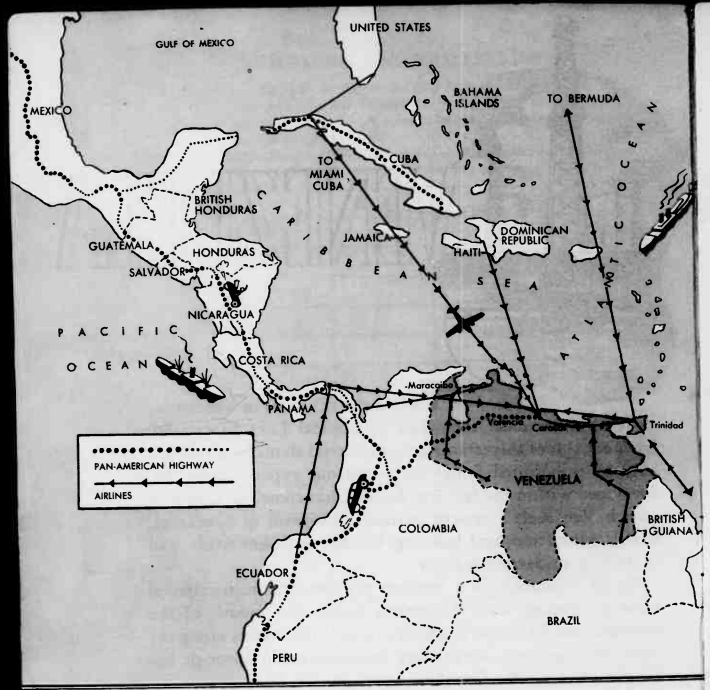
Oil in Venezuela is a modern phenomenon superimposed upon an ancient land. Columbus found the mouth of the Orinoco, and Amerigo Vespucci explored the waters along the coast of Venezuela. Across her mountains and through her jungles tramped the Conquistadores searching for the fabled gold of the Indies.

Venezuela gave Simón Bolívar, the great leader of the independence movement, to the Spanish colonial world chafing under the yoke of absentee rule. Venezuela, too, has known dictators, but today the name and memory of Bolívar are very much alive.

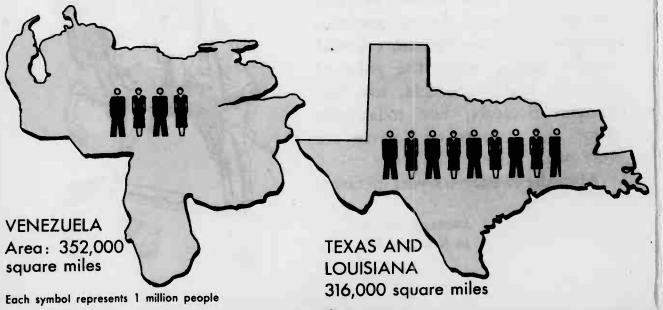
After the twenty-six-year dictator-



Statue of Bolívar in New York City



AREA AND POPULATION



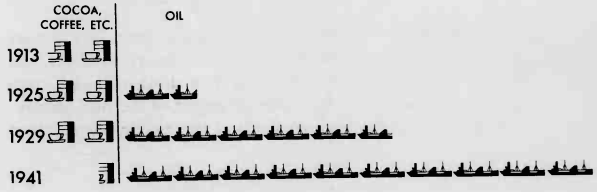
ship of Juan Vicente Gomez, which ended with his death in 1935, the country has been experiencing a rebirth of interest in the welfare of her people. Under her present government, her schools are being modernized, sanitation programs have been launched, and, by a back-to-the-land movement, she is making an effort to break her dependence on the outside world for food. Housing programs are being undertaken, prison reforms effected, and new social security laws include worker participation in the profits of enterprises.

Aside from the fact that she produces oil and is thus important in a warring world, Venezuela's location is strategic. Facing on the Caribbean, she is not far from the eastern entrance to the Panama Canal. As a nation dependent upon both export and import, she is acutely aware of the need for expanded transportation, and has made an agreement with Brazil to intensify coastal navigation and increase cooperation between the air lines of the two nations. Her sector of the Pan American Highway, between Caracas and San Cristobal, is completed, and other highways improved.

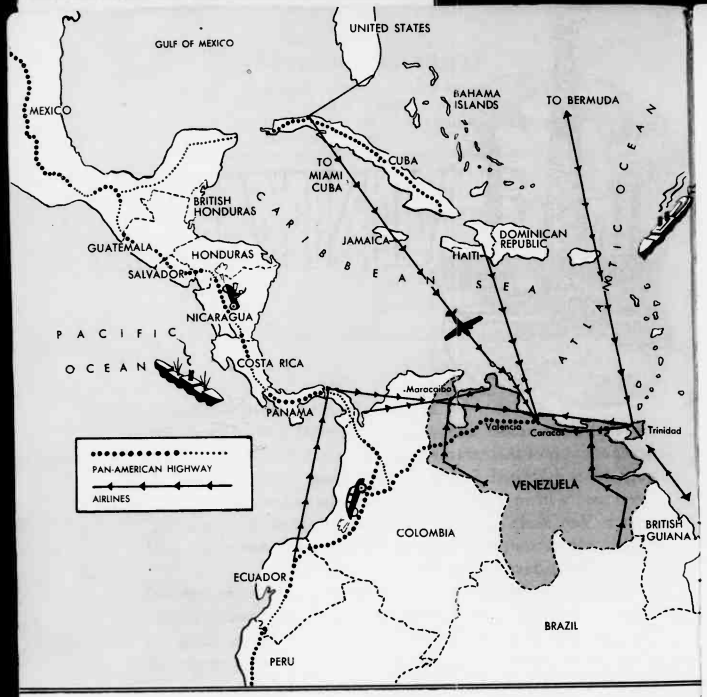
Venezuela has broken relations with the Axis nations. First of the other American republics to restrict the movements of suspicious foreigners, she has barred instruction in anti-democratic ideologies from her schools, frozen Axis funds, regulated Axis-owned business, and put interned Axis ships into inter-American commerce. Her entire oil production is reserved for the United Nations.

Since the beginning of the war, Venezuela has made a conscious effort to develop production other than that of her three

OIL IN VENEZUELA'S EXPORTS



INTENTIONAL SECOND EXPOSURE



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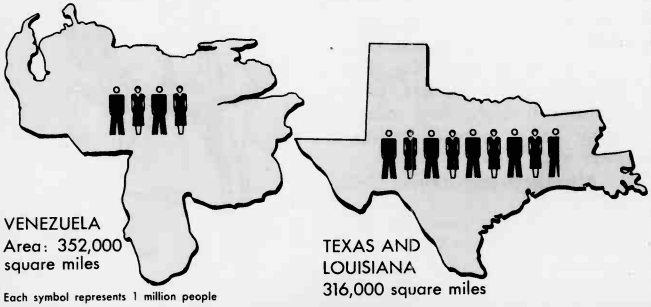

Each symbol represents 1 million people

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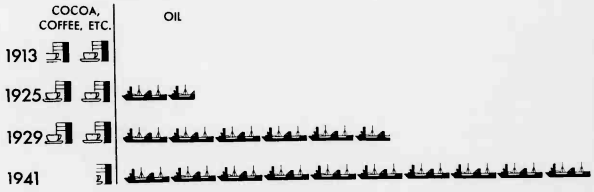


Each symbol represents 100 million bolivares

EXPORTS OF VENEZUELAN PRODUCTS (PRE-WAR)
(EXCL. OF PETROLEUM PRODUCTS)

Each symbol represents 600,000 dollars

big export commodities—oil, coffee, and cacao. An asbestos plant is under construction at Tinaquillo, with an expected twenty-ton-a-day capacity. A government-financed corporation plans to export a million pounds of silk a year. Public works are absorbing some of the unemployed from the oil fields, which, because of shipping dislocations, cannot now operate at top capacity. Aqueducts and sewers are being constructed for Caracas and other cities. Whole blocks of her old-world cities are being demolished to make way for modern workers' houses—3,000 of them in one mid-Caracas development alone.

Rubber is staging a come-back. The ancient Orinoco River port of Angostura, today Ciudad Bolívar, birthplace of Bolívar's Great Colombian Commonwealth (which included Colombia and Ecuador as well as Venezuela) is bustling after twenty-five years of depression, and once more is shipping rubber, along with cattle for United States troops in Trinidad bases.

A new petroleum law has been enacted, providing a more just participation by the State in the exploitation of oil, and harmonizing the national interests with those of the oil companies toward a great future development of the oil industry.

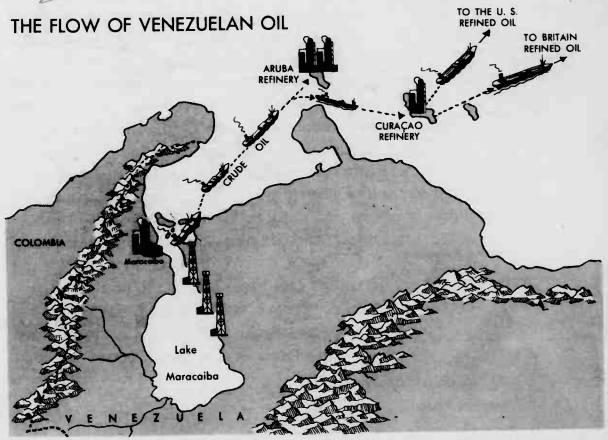
In sponsoring her back-to-the-land movement, Venezuela is

interested not only in the immediate wartime feeding of her people, but in assuring for the future an adequate supply of home-grown food. Huge areas of fertile land, once held by Gomez and his satellites and now taken over by the State, are being broken up into 25- to 40-acre plots. On these plots and on others, unemployed oil workers are being taught by the government to raise their own food. Fishing is being developed in the Caribbean. Irrigation projects are under way. Rice husking plants are being established, and fertilizer is being distributed for the rice fields. Modern dairy processing plants are being built in the Lake Maracaibo district, and herds are being improved.

To understand modern Venezuela and her problems, it is necessary to know something of her past and, equally important, her geography, with its sharp contrasts.

Her northernmost coast is eleven degrees above the equator, and this mythical line lies just below her southern tip. She has the hottest coastal spots on the continent and deep reaches of steaming jungles, some of which have never been completely

THE FLOW OF VENEZUELAN OIL



INTENTIONAL SECOND EXPOSURE

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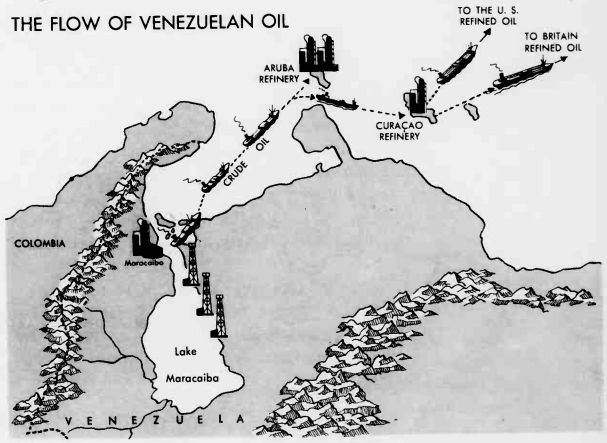


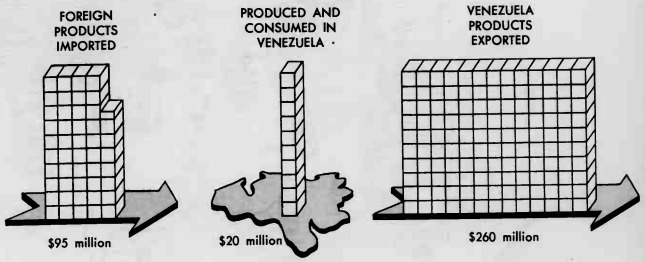
explored. But on a spur of the Andes near her western border, with peaks almost 15,500 feet high, the villages know snow and bracing mountain winds.

Most of her important cities, including Caracas, the capital, lie in the Highlands region, which rises abruptly from the Caribbean coast. With altitude enough to insure a delightful climate, and with definite wet and dry seasons, the Highlands produce coffee, cacao, and cattle. Cattle are raised, too, in the lower great plains, the *Llanos*, but transportation is difficult, and the climate hot and dry. Cattle must be driven a hundred miles or so to city markets, and must be fattened before slaughtering.

In the Guiana Highlands, along the edge of Brazil, even more isolated than the *Llanos*, are tropical forests, industrial

ALTITUDE AFFECTS NATION'S ECONOMY

PRE-WAR VENEZUELA WAS ENTIRELY DEPENDENT ON FOREIGN TRADE...



diamonds, gold, iron ore and many other minerals. One gold mine, El Callao, developed by the Capuchin monks, near Guasapati, was once the richest in the world. The airplane is opening up these remote regions. Gold again is being mined after a long period of neglect, and diamond merchants fly into the small towns where once or twice a year the Indians bring in their pannings from the Caroní River.

Pearls as well as gold attracted the Spanish adventurers, and the pirates of all nationalities who followed them. The Island of Margarita, with its rich pearl beds, twenty miles off the coast, was discovered by Columbus, and Queen Isabella had a fabulous string of Venezuelan pearls. Even today, enormous specimens are occasionally found.

At Cumána, halfway between Caracas and Trinidad, the first permanent settlement in South America was established in 1520 after several futile attempts, one of them inspired by humanitarian Las Casas, champion of the Indian. Seven years later, Coro was settled.

In 1528, one of the few early German attempts at colonization in South America was started. A banking family, the Welsers of Augsburg, had lent money to the King of Spain and, in return, received a concession to settle Venezuela.

INTENTIONAL SECOND EXPOSURE

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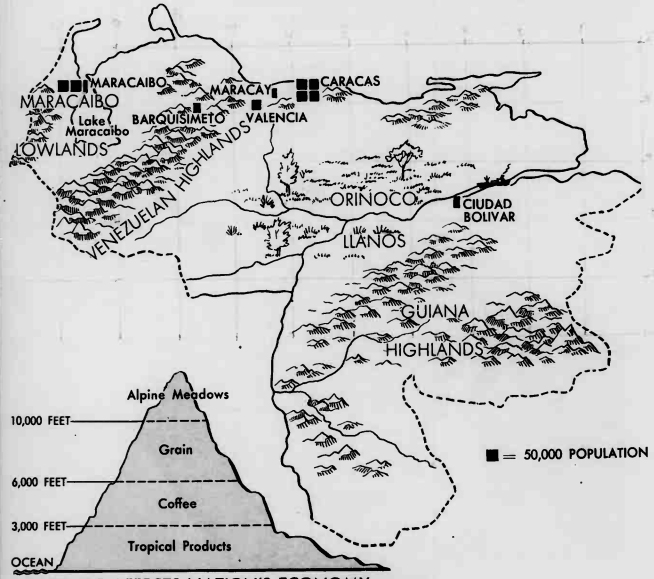

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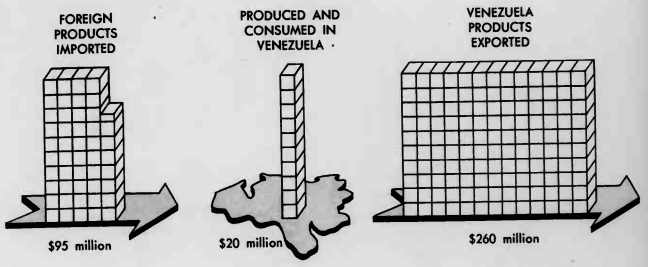

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PHOSPHATE
PETROLEUM
COAL
COFFEE
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TOBACCO
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ASBESTOS
CHICLE
FISH
COCOA
CATTLE
SHEEP
COFFEE
SUGAR
TOBACCO
CATTLE
RUBBER
PEARLS
MAGNESITE
COAL
SALT
ASPHALT
PETROLEUM
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ASPHALT
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SUGAR
COCOA
VANILLA
COFFEE
WINE
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GOLD
IRON
SILVER
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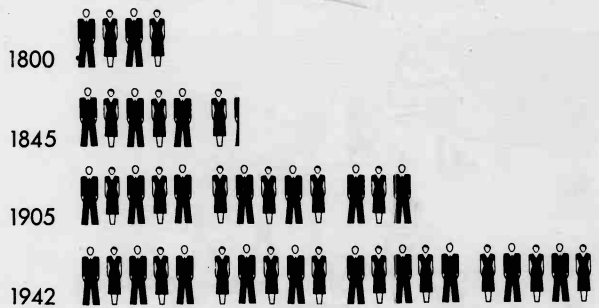
COLOMBIA
RESOURCES
OF VENEZUELA
BRAZIL
RUBBER

INTENTIONAL SECOND EXPOSURE

GROWTH OF VENEZUELA'S POPULATION



Each symbol represents 200,000 people

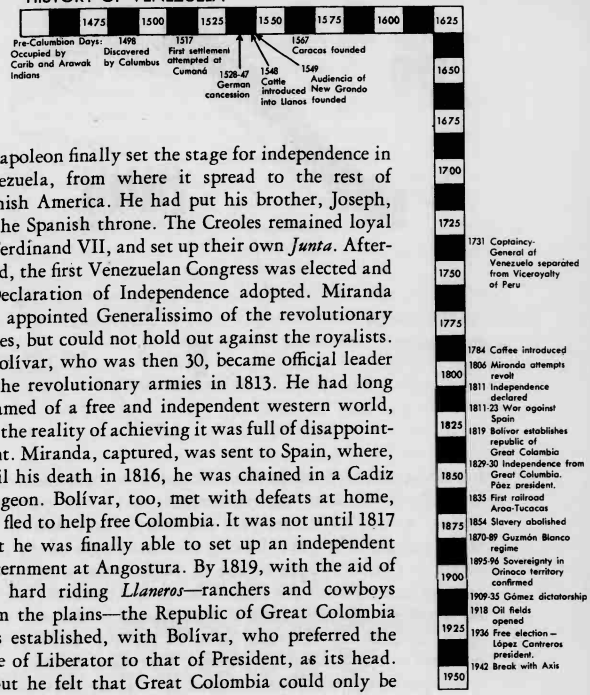
They surrendered their charter after a failure noteworthy only for cruelty to the Indians.

Venezuela did not have highly developed Indian communities for the Spaniards to conquer. The more scattered tribes were subdued early, but the very geographic factors which prevented a concentrated Indian civilization have ever since kept down the density of population of Venezuela.

Although small in population, Venezuela was the scene of one of the earliest revolts against Spain. In 1749, Juan Francisco de Leon organized a group of 6,000 sympathizers and marched to Caracas to demand the abolition of a Spanish trade monopoly. The Captain General agreed to certain reforms, the rebels disbanded, but the promises were never fulfilled.

In 1797, Manuel Gual and José Maria España tried to set up a republic. They were unsuccessful, as was Francisco de Miranda, who had fought under George Washington and in the French Revolution. (His name is inscribed on the Arc de Triomphe in Paris.) With a fleet of ships assembled in New York, supplemented by English vessels from Barbados, he attempted landings at Ocumare and Coro, but both failed, and Miranda fled into exile.

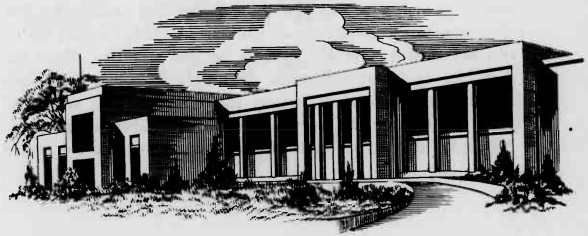
HISTORY OF VENEZUELA



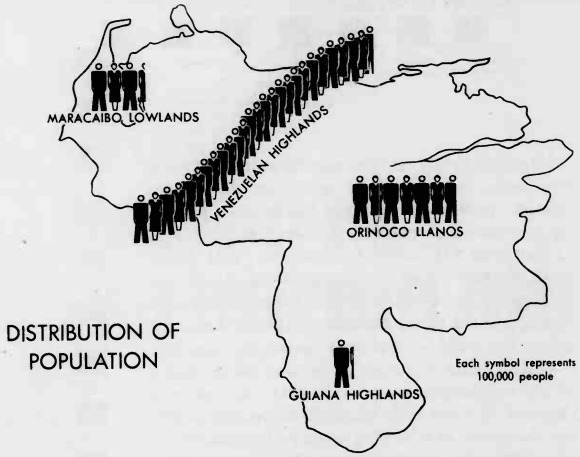
Napoleon finally set the stage for independence in Venezuela, from where it spread to the rest of Spanish America. He had put his brother, Joseph, on the Spanish throne. The Creoles remained loyal to Ferdinand VII, and set up their own *Junta*. Afterward, the first Venezuelan Congress was elected and a Declaration of Independence adopted. Miranda was appointed Generalissimo of the revolutionary forces, but could not hold out against the royalists.

Bolívar, who was then 30, became official leader of the revolutionary armies in 1813. He had long dreamed of a free and independent western world, but the reality of achieving it was full of disappointment. Miranda, captured, was sent to Spain, where, until his death in 1816, he was chained in a Cadiz dungeon. Bolívar, too, met with defeats at home, and fled to help free Colombia. It was not until 1817 that he was finally able to set up an independent government at Angostura. By 1819, with the aid of the hard riding *Llaneros*—ranchers and cowboys from the plains—the Republic of Great Colombia was established, with Bolívar, who preferred the title of Liberator to that of President, as its head.

But he felt that Great Colombia could only be



Polyclinic Hospital, Los Teques



DISTRIBUTION OF POPULATION

free if the Spaniards could be dislodged from their last stronghold, Peru. Leaving the government to a vice-president, Bolívar set out to liberate Peru and what is now Bolivia. He then returned to Bogotá, leaving the final stages of the campaign to General Antonio José de Sucre, who won for the cause of independence the famous battle of Ayacucho (December 9, 1824), the final decisive engagement in the war with Spain. By 1826 the last royal forces in Peruvian territory surrendered to the Venezuelan General, Bartolomé Salóm.

Independence had been achieved, but unity was not yet possible. Exhausted by war, harassed by earthquake, the north countries were prostrate. Bolívar had called the first inter-American conference at Panama in 1826, but his vision of a united free New World never became a reality. Even the Republic of Great Colombia disintegrated when Venezuela became an independent nation in 1829. Bolívar, who had given his fortune for independence, died in absolute poverty. Not until many years later did his countrymen and the world

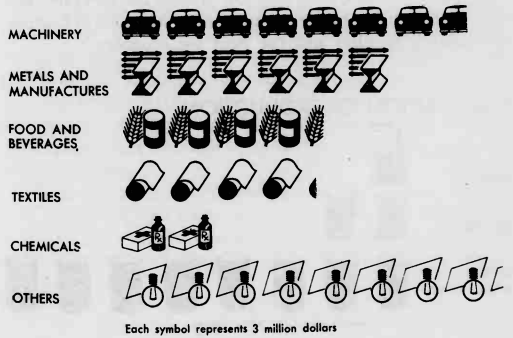
recognize the wisdom of the Liberator's ideas regarding the community of interest among the nations of the Hemisphere.

Self-government in Venezuela, as in other republics which had for so many centuries known the arbitrary rule of colonial Spain, was learned at the expense of despotism, frequent revolutions and corrupt administration. Four dictators for years dominated her history. From 1830 to 1863, José Antonio Páez, a Bolívar lieutenant, was three times president, and ruled the Republic in most of the intervening years. Antonio Guzman Blanco remained in power from 1870 to 1889, and Cipriano Castro from 1899 to 1908.

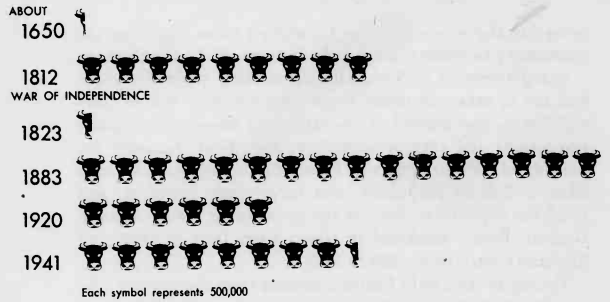
Taking advantage of Castro's absence from the country, the vice-president, General Juan Vicente Gomez, seized the governmental reins. During his cruel dictatorship, oil was discovered, and the royalties derived from development of the wells put both the government and the Gomez family on a firm financial foundation. The State had no foreign debt, and the family owned most of the best land in the country.

General Eleazar Lopez Contreras, who had been Minister of War under Gomez, became acting president after the dictator's death in 1935. Political exiles by the thousands

WHAT VENEZUELA IMPORTS 1940



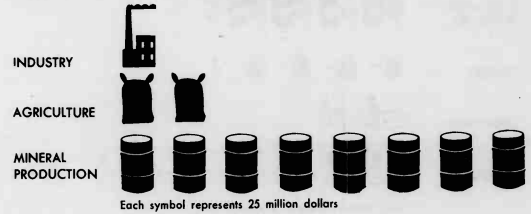
THE CATTLE POPULATION FLUCTUATES WIDELY



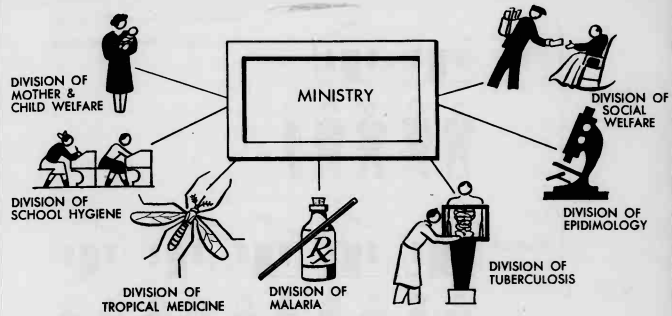
returned to Venezuela and political prisoners were released. Lopez's careful and moderate administration won the respect of his fellow-countrymen, and after his appointive term, he was elected in 1936 for another five years. In 1941, General Isaías Medina Angarita, who was Minister of War under Lopez Contreras and who resigned to enter the electoral struggle, was elected president by a sweeping majority.

Venezuela today looks to her future. In 1938 the government initiated a $100,000,000 program of public works which includes the construction of highways, railroads, schools, sewage and water systems, hospitals, modern penal institutions, post facilities, and low-cost houses for workers, but much of this project has been hampered by wartime difficulties in obtaining supplies and the need for economy.

COMPOSITION OF PRODUCTION



THE VENEZUELAN MINISTRY OF HEALTH & SOCIAL WELFARE

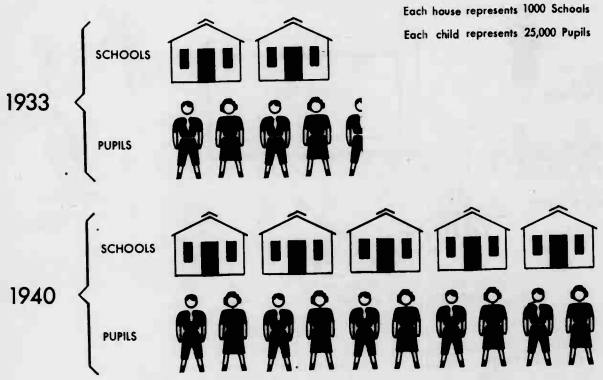


Health improvement is an important part of the government's plans. New hospitals have been built and public health officials are working on the problems of malaria, hookworm, tuberculosis, yellow fever, general sanitation, child-care, and malnutrition.

Progress in education has been hampered by lack of trained teachers, and by the remoteness of many schools. The Ministry of Education is making use of the radio to train its teachers in isolated communities; publishes attractive magazines for teachers and pupils, encourages the revival of the ancient Indian arts and crafts, sends correspondence courses and motion pictures on educational methods to teachers, and is revising curricula to follow modern techniques. Primary schools which in 1935 numbered only 2,000, already have been doubled, with some 6,000 teachers. The University of Caracas, a fine and ancient institution, is expanding its courses, and technical education is available in agriculture, industry, commerce, and government.

Transportation is recognized as a major problem. Gomez had built roads, but many of them paralleled the all too few railroads. Both highways and railroads have presented difficult and expensive engineering problems. Many parts of the re-

PRIMARY SCHOOLS AND THEIR PUPILS



public are too thinly settled to justify expensive construction, but in some sections the transition from the mule train to the airplane is being made.

Like many another tropical country, Venezuela's agriculture has for generations been concerned with cash rather than subsistence crops. Coffee is the export item second to oil. In 1938, the last pre-war year, she shipped 79,000,000 pounds (valued at $8,000,000), a decrease of fifty-five percent from 1929 exports. The war has brought more coffee difficulties, since Venezuela had sent much of her coffee to Germany and France. Today seventy percent is coming to the United States, under wartime coffee allocation. Germany, too, had received much Venezuelan cacao, which was used in the manufacture of fine chocolates, but the United States has now absorbed a good deal of this. Sugar, coconuts and cotton are other cash crops.

The high cost of living has been all too real in Venezuela, yet, until very recently, most of her agricultural effort had gone into these export crops. Most of her food had to be

imported, and high tariffs continually raised prices and discouraged more efficient industrial methods. Only orchids, which sold for less than the price of a package of cigarettes in the colorful markets of Caracas, were cheap.

The expanding agricultural program, however, has already lowered the cost of food. Vegetables now are not only abundant enough to supply home demand, but in 1941, $2,450,000 worth were sent to Caribbean war bases, eight times the 1940 export amount. Other things are still expensive. While some effort has been made to develop consumer industries, they still supply only about half the needed coarse cotton cloth, refined sugar, hats and shoes. In spite of her cattle industry, Venezuela still imported $1,500,000 worth of canned milk and $300,000 worth of butter in 1938. In 1939, the United States and Venezuela entered into a trade agreement for the mutual reduction of tariffs on a number of commodities.

Culturally, Venezuela has been a leader among her sister republics, notably so during the Nineteenth Century. Andrés Bello, rated one of the greatest of Spanish language poets, was also a distinguished internationalist who wrote the Civil Code of Chile and founded the University of Santiago de Chile. Cecilio Acosta, a profound thinker; Juan Vicente González, historian who founded Venezuela's nationalistic literature; Rómulo Gallegos, whose novels depict the life of the *Llanos;* and the social criticisms of Rufino Blanco Fombona, are widely read.

The old and romantic church called "Iglesia del Carmen" in Merida

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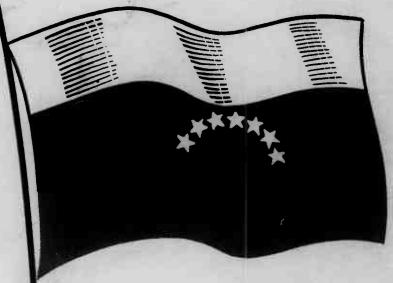

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